

22 May 1963

L-10932

Mr. Louis D. Riggs
Behavioral Sciences Group
U.S. Naval Ordnance Test Station
China Lake, California

Dear Lou:

Thank you very much for sending me that stack of papers so promptly. It's a fascinating collection, reading which will undoubtedly keep me from any productive activity for a good long while; what more can one ask? At the moment, the stack resides in the office of my boss, Burton Klein, because I wanted him to glance over the range of titles and subjects. There is no obvious reason why similar work should not be done at RAND, but to my knowledge, it isn't. As I know you are aware, the typical approach in RAND work has much more of the flavor of economics, systems analysis, and "decision theory" in the sense of statistical decision theory. To the extent that a political science approach is represented, it shows little of the influence of social psychology that is reflected in these works, and I suspect that the work promoted by Project Michaelson will prove, on my closer reading, highly complementary to the research with which I am more familiar. Which, I take it, is the point of Project Michaelson.

I enjoyed the conference very much, as must have been evident. It stimulated my thinking in a number of areas, and I am planning to write some extended notes on some of the topics we discussed. I'll try to find some way, eventually, of getting them to you and Tom. Incidentally, although I know that you do not intend to make a transcript of the conference as a whole, or to distribute those parts of it that you do transcribe, I felt that the discussion that my group held the first afternoon was particularly rich, and I would appreciate very much receiving any summary or transcription that might be available of that particular session. If the whole is not available, it would help me in preparing the written comments mentioned above if I could have in writing or on tape the parts of the dialogue which I contributed myself.

On the particular question of "angry utility functions" as distinct from sad, happy, tired, or manic utility functions, I think that there are indeed analytical possibilities of showing those factors

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generally taken as data in the statistical decision theory approach -- preference orderings, alternative-set, opinions and conditional probabilities, and perceptions of evidence -- as variables that are themselves dependent upon factors which are rarely explicit in the economic approach and which may vary for a given individual over time: emotions, identifications, needs; conscious and unconscious, often conflicting, anachronistic, "unrealistic." In a dynamic approach, not only can such factors be brought in explicitly (though they may remain unconscious for the decision-making individual), but it may be possible to analyze changes in these factors brought about by the earlier decisions of the actor in question or by others. I found the drafts by Pool and by Milburn (on command and control) very suggestive in this regard. I am sure I'll have more thoughts on this and related subjects after I have read more of the papers you sent, which I will pass on to you.

Thanks again for your thoughtfulness in sending them to me.

Yours sincerely,

Daniel Ellsberg
Economics Department

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Enclosures (2)

P.S. I am enclosing two earlier papers of mine which may be of some interest to you.

bcc: Reports (P-2173, 2183)
B. Haydon
ref. inc. #18344, dtd. 5/13/63